



April 4, 2007

Charles Terreni
Chief Clerk and Administrator
Public Service Commission of SC
P.O. Drawer 11649
Columbia, SC 29211

COPY
Routed: D. Duke
Dept: SA-DTS
Date: 4-6-07
To: _____

Dear Mr. Terreni:

I am enclosing the executed copies of the Agreements between South Carolina Electric and Gas Company and the following natural gas customer:

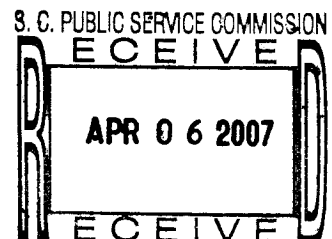
Shaw Industrial Group, Inc.
Amendment One To Service Agreement

Please accept these Agreements for filing in accordance with the Rules and Regulations of The Public Service Commission of South Carolina. If you have any questions, please call me at 803-217-7129.

Sincerely,


Marcia R. Stewart
Analyst, Gas Group

Enclosures



ORIGINAL

This original
to be returned
to SCE&G Company

AMENDMENT ONE TO SERVICE AGREEMENT

This Amendment One, made and entered into this 28th day of March, 2007, by and between SOUTH CAROLINA ELECTRIC & GAS COMPANY, its successors and assigns, hereinafter called "Seller", and SHAW INDUSTRIAL GROUP, INC., its successors and assigns, hereinafter called "Buyer".

WITNESSETH

WHEREAS, Buyer purchases natural gas from Seller's system supply pursuant to the terms of a Service Agreement between Shaw Industrial Group, Inc. and Seller dated March 31, 2003, and

WHEREAS, Buyer and Seller have agreed to amend the Service Agreement to reflect Buyer's current legal name, Shaw Industries Group, Inc., as well as, to add an additional Competitive Fuel Rate, and to incorporate assignment language.

NOW THEREFORE, in consideration of these covenants and agreements set forth to be kept and performed by the parties hereto, it is mutually agreed as follows:

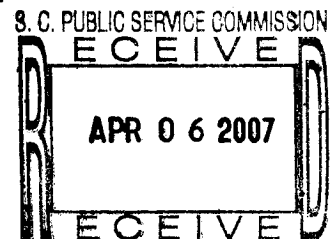
- A. This Amendment One shall become effective on April 1, 2007.
- B. Paragraph 7(D) – COMPETITIVE FUEL RATE is added as follows:

7(D) COMPETITIVE FUEL RATE

It is the intent of the Agreement that Buyer's cost of natural gas used in Priority-of-Service Category 6 shall be competitive with the as-fired cost of alternate fuel that Buyer could actually utilize in lieu of natural gas.

For the purpose of the computation to obtain the as-fired cost of the alternate fuel, it is understood and agreed that:

- (1) The Alternate Fuel is identified as "Yellow Grease".
- (2) The cost of the alternate fuel (identified as "K") shall include:
 - (a) Cost per gallon (using the cost per pound multiplied by 7.50 pounds per gallon),
 - (b) Freight to Buyer's facility, and
 - (c) Three cents (3.0¢) per gallon for handling charges.



- (3) An IRS tax incentive of fifty cents(\$0.50) per gallon (identified as "A") will be subtracted from the cost per gallon of the alternate fuel. This incentive is valid through 2009.
- (4) Yellow grease shall be considered as having 127,000 BTU's per gallon or 0.1270 dekatherms per gallon, which is identified as "dt".
- (5) The following formula utilizes the above values and shall be used to calculate the as-fired cost of the alternate fuel (identified as "C"):

$$C = \frac{K - A}{dt}$$

If, at any time during the term of the Service Agreement, Buyer can establish by reasonable evidence (i.e. a vendor's invoice, bona fide written quotation, equivalent proof or Buyer's written declaration) that Buyer's as-fired cost of the alternate fuel to replace natural gas is less than the cost of natural gas, then Buyer shall advise Seller in writing, by the twenty-fifth (25th) of the calendar month, that the cost of natural gas for the next ensuing billing period will exceed the as-fired cost of the alternate fuel.

Seller will respond to Buyer, in writing, prior to the beginning of the next billing period that Seller will either:

- (1) Lower the price of natural gas to the as-fired cost of the alternate fuel and deliver gas, or
- (2) Notify Buyer of the price at which Seller will deliver gas in the event Seller elects not to lower the price to the as-fired cost of the alternate fuel.

In the event Seller elects to lower the price of gas to the as-fired cost of the alternate fuel, Buyer may not discontinue the purchase of natural gas hereunder. In the event Seller offers to deliver gas to Buyer at a price greater than the as-fired cost of the alternate fuel, then Buyer may either accept delivery of natural gas at the price offered by Seller through a prompt verbal notice confirmed in writing or discontinue receiving gas for the next billing period. In no event will the cost of natural gas as determined by this paragraph, exceed the cost as determined under the Base Rate of this Service Agreement.

During any period of suspended service, Buyer agrees to continue to invoke the Competitive Fuel Rate provision each month for consideration by Seller. Should Buyer fail or refuse to invoke the Competitive Fuel Rate in writing, Seller shall price natural gas delivered to Buyer pursuant to the Base Rate of this Service Agreement.

C. Paragraph 13 – ASSIGNMENT is added as follows:

13. ASSIGNMENT

Neither Party shall assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent may be withheld in the exercise of its sole discretion; provided, however, either Party may, without the consent of the other Party (and without relieving itself from liability hereunder), (i) transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues or proceeds hereof in connection with any financing or other financial arrangements, (ii) transfer or assign this Agreement to an affiliate of such Party which affiliate's creditworthiness is equal to or higher than that of such Party, or (iii) transfer or assign this Agreement to any person or entity succeeding to all or substantially all of the assets whose creditworthiness is equal to or higher than that of such Party; provided, however, that in each such case, any such assignee shall agree in writing to be bound by the terms and conditions hereof and so long as the transferring Party delivers such tax and enforceability assurance as the non-transferring Party may reasonably request.

- D. The term of this Amendment One shall be the same as the term of the Service Agreement currently in effect.
- E. No other provisions of the Service Agreement between Seller and Buyer are altered by this Amendment One.

IN WITNESS WHEREOF, this Amendment One to Service Agreement has been executed on the date first above written by the parties hereto, by their officers or other representatives.

SHAW INDUSTRIES GROUP, INC.

Buyer



By

Energy Procurement Engineer

Title

Carol Cook

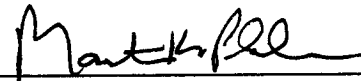
Witness

3/16/07

Date

SOUTH CAROLINA ELECTRIC & GAS
COMPANY

Seller



By Martin K. Phalen

VICE PRESIDENT – GAS OPERATIONS

Title



Witness

3-28-07

Date